CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

MARCH 15, 2011

INVOCATION:
Assistant City Manager Haydon gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Councilmember Orach led the Pledge of Allegiance.

CALL TO ORDER:
Mayor Lavagnino called the Regular Meeting of the City Council to order at 6:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Boysen, Cordero, Orach, and Mayor Lavagnino.

MEMBERS ABSENT
Councilmember Patino

STAFF MEMBERS PRESENT
City Manager Ness, City Attorney Trujillo, Assistant City Manager Haydon, Fire Chief Jones, Director of Public Works/City Engineer Whitehead, Director of Utilities Sweet, Police Chief Macagni, Director of Community Development Appel, Director of Administrative Services Visé, Director of Recreation and Parks Posada, Planner III Shipsey, Management Analyst II van de Kamp, and Chief Deputy City Clerk Perez.

VOLUNTEER OF THE MONTH
Councilmember Cordero presented a gift to the Recreation and Parks Volunteer of the Month for March 2011, Steve Del Real, for his commitment and dedication to Special Olympics – Northern Santa Barbara County, especially the Annual Southern California Special Olympics Summer Games. Mr. Del Real was not present to accept.

7TH GRADE STUDENT ESSAY CONTEST WINNER
Mayor Lavagnino presented a Certificate of Recognition to Bailey Durnin from St. Luis de Montfort School, for winning the 7th Grade Student Essay Contest on the topic "If you were Mayor and you were given $1,000,000, how would you use it to enhance your community?" Bailey Durnin read her essay for the Council and audience.

BUDGET AWARDS
Bill Statler, former President of the California Society of Municipal Finance Officers and member of the Budget and Fiscal Policy Committee of the Government Finance Officers Association, presented the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) and Excellence in Operating Budget Award from the California Society of Municipal Finance Officers (CSMFO) to the City of Santa Maria and Assistant City Manager Rick Haydon.

Assistant City Manager Haydon accepted the awards on behalf of the Budget Team and City staff. He thanked City staff, especially the Administrative Services Department and City Manager's staff for their hard work.

The Council commended Mr. Haydon and City staff for the outstanding, easy-to-read budget documents.

City Manager Ness also commended Mr. Haydon for leading the Budget Team. He said Mr. Haydon had a firm grasp on the City's finances and spent many additional hours working on the budget while also performing his other duties each and every year. He knows the budget inside and out and was always ready to answer questions.

PUBLIC COMMENT
Eddie Taylor, CEO of United Way, spoke about an event that took place last week at the United Way conference room. He said he authorized the event without obtaining adequate information about the size of the event and logistical issues. The event was much larger than the conference room could accommodate and inappropriate for the facility. When he became aware of the logistical problems created by event, he took steps to close it down. Unfortunately, there were citizen complaints to the Mayor and City Council. He apologized for the inconvenience it caused the Mayor, the City Council, and the community.

Christine Whelan invited the City Council and residents of the City to participate in a Pro Life Campaign for the 40 days of Lent with prayer and fasting, community outreach, or standing in front of the Planned Parenthood facility.

CONSENT CALENDAR
Councilmember Boysen requested Item 3F be pulled for a question.

Item 3F – Award of Bid for the West Stowell Road Reconstruction
Councilmember Boysen stated the two low bids were extremely close, and asked if it was a matter of the lowest bidder being awarded the contract.

Director Whitehead stated the State Public Contracts Code required the City to take the lowest responsible bid. After evaluating all the bids, G. Sosa Construction, Inc., was found to be the lowest responsible bidder.

Consent Calendar Items 3A through 3G were approved on motion by Councilmember Orach, seconded by Councilmember Boysen, and carried on the following vote:

AYES:	Councilmembers Boysen, Cordero, Orach, and Mayor Lavagnino
NOES:	None
ABSENT:	Councilmember Patino
ABSTAIN:	None

A. ORDINANCES
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar were adopted by the same vote cast at the first reading unless City Council indicated otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of March 1, 2011, were approved as submitted.

C. WARRANTS
Warrant Nos. 164566 to 164811 totaling $1,723,894.44 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant Nos. 164397, 164696, 164697, 164785, 164786, and 164787 were cancelled.

D. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative Services and having been approved for payment by the Director of Administrative Services.

E. WEED ABATEMENT PROGRAM – 2011
Resolution No. 2011-23 was adopted declaring weeds to be a nuisance and initiating the annual weed abatement program for 2011.

Resolution No. 2011-23 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, DECLARING THAT NOXIOUS OR DANGEROUS WEEDS GROWING UPON OR IN FRONT OF THE LISTED PROPERTY, AND RUBBISH, REFUSE AND DIRT COLLECTED UPON OR IN FRONT OF THE LISTED PROPERTY CONSTITUTE A PUBLIC NUISANCE WHICH MUST BE ABATED, AND COMMENCING PROCEEDINGS FOR THE ABATEMENT OF THESE

NUISANCES PURSUANT TO TITLE 5, CHAPTER 8 OF THE SANTA MARIA MUNICIPAL CODE.

F. AWARD OF BID

Resolution No. 2011-24 was adopted awarding the bid and approving an agreement with G. Sosa Construction, Inc., for the West Stowell Road Widening Project, Bid No. 2011/05.

Resolution No. 2011-24 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A CONTRACT WITH G. SOSA CONSTRUCTION, INC., FOR WEST STOWELL ROAD WIDENING, BID NO. 2011/05.

G. ORDINANCE NO. 2011-01

The City Council conducted the second reading by title only of Ordinance No. 2011-01, establishing a 45 mph speed limit on Union Valley Parkway from Broadway to Blosser Road, and adopted the ordinance.

Ordinance No. 2011-01 adopted. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING CHAPTER 7-4, SPEED LIMITS, OF THE SANTA MARIA MUNICIPAL CODE.

2010 GENERAL PLAN ANNUAL PROGRESS REPORT

Director of Community Development Appel gave the staff report. As required by California Government Code Section 65400, the Community Development Department is submitting an Annual Report to the City Council, the Governor's Office of Planning and Research, and the State Department of Housing and Community Development. The report includes the status of the General Plan and progress in its implementation, as well as the City's progress in meeting its share of regional housing needs. A news release notifying the public of availability of the draft report was posted on the City's website. No written communications were received prior to the Planning Commission meeting on February 16, 2011. During the discussion item, the public was invited to comment and nobody in the audience spoke. After receiving no public comment at the meeting, the Planning Commission unanimously voted to recommend the filing of the General Plan Annual Progress Report. The most noteworthy conclusions contained in the report are: only 15 new housing units were added in 2010; 242 building permit applications resulted from City Code Compliance special investigations; the Building and Safety Division issued 1,371 building permits for residential and non-residential construction; staff made 7,870 building and safety related inspections; and the Planning Commission held 17 public meetings, 16 study sessions and considered 20 discretionary projects. In addition, the Planning Commission forwarded 9 recommendations for discretionary projects and other actions to the City Council.

Councilmember Cordero referenced page II-2, and asked where the 10.75 acres were located that changed from Medium Density Residential to High Density Residential.

Community Development Director Appel explained that it was the Siena Development project by Mr. Towbes. It was originally approved as a condominium project which was zoned R-2, Medium Density Residential. The property was recently approved for a zone change to R-3, High Density Residential.

Councilmember Cordero referenced page III-6, Program 1, which stated "the City strongly supports the efforts of the Santa Maria Valley Economic Development Commission with staff and monetary assistance." He asked for an explanation regarding staff.

Director Appel explained the City Chamber of Commerce and Economic Development Commission were supported by some City funds; however, they have their own support staff. The statement referred to the Community Development Director and City Manager who were members of the Economic Development Commission and served as liaison staff to that Commission, providing updates on what was happening in the City.

Councilmember Cordero then asked about Program 7 on page III-8, Expansion of Code Compliance Program, regarding garage conversions. Then Program 10, Accommodations for Farm Workers, Seniors and Persons with Disabilities, which says

the City would facilitate permitted garage conversions. He asked how the two programs related.

Planner III Shipsey explained that Program 7 referred to Code Compliance complaints, principally regarding illegal garage conversions. Code Compliance staff worked with Community Development staff to determine if the work was done with permits. Program 10 was not related to garage conversions. It relates to projects for low-income housing or farm worker housing. Developers could come to the City for concessions which would facilitate the development of affordable housing. Program 10 was related to qualified affordable housing projects while Program 7 related to a Code Compliance issue where someone had done something wrong. The Zoning Ordinance requires two covered parking spaces, not necessarily in a garage. So if the property owner could put two covered parking spaces on the property, they had the ability to convert their garage to be a part of their house, but not a separate unit.

Councilmember Cordero asked about Program 14, Single Room Occupancy, and asked if that related to some of the motels in the area and how that affected the City's bed tax.

Planner III Shipsey explained that a single room occupancy was like a motel, except single room occupancy was basically a bedroom with a bathroom down the hall and no cooking facilities. Some motels had kitchenettes and most had individual bathrooms. They were similar, but not the same. Under 30 days, the City collected bed tax; however, over 30 days it was considered a residential unit, and bed tax was not collected.

City Manager Ness stated that was not entirely correct. For those motels and hotels that were in a hotel/motel zone, the City collected transient occupancy tax or bed tax from day one for the entire stay. The over 30-day stay did not affect the collection of transient occupancy tax.

Mayor Lavagnino stated he was asked often how the City could allow numerous people to live in a single family residence. He said he understood that the Supreme Court ruled that cities could not regulate the number of people living in a single family residence.

City Attorney Trujillo explained that the Supreme Court, in a case from the City of Santa Barbara, struck down limiting the number of people living in a single family residence as unconstitutional. A number of other cities have tried to regulate single family residences and have been challenged in court and also struck down.

Community Development Director Appel stated there were regulations in the Zoning Ordinance regarding the number of people renting a single family residence.

Councilmember Boysen asked if it was typical for cities to charge bed tax for stays longer than 30 days. He said in these hard economic times, people were having to live in motels and hotels for extended periods of time. Paying the bed tax after 30 days was adding another burden to people who could least afford it.

City Manager Ness explained that while that was true, the City was concerned about safety. Typically, for example, hotels and motels only had a certain number of electrical outlets. If someone was living in a hotel or motel room on a long-term basis and had numerous electrical appliances plugged into the wall sockets, it could overload the circuits and become a safety hazard. That is one reason why the City did not want hotels and motels to be long-term residential facilities.

Councilmember Boysen referred to Program 11, regarding a new state law requiring that within one year the City establish a plan to properly zone areas for emergency shelters. He said he would very much like to be involved in that process.

Hearing no further questions or comments, Mayor Lavagnino received and filed the report and directed the City Clerk to file the report with the Governor's Office of Planning and Research (OPR) and Housing and Community Department (HCD).

2011 TECHNICAL AMENDMENTS TO THE SANTA MARIA MUNICIPAL CODE.
City Attorney Trujillo gave the staff report. The City Council is requested to consider an ordinance making various technical amendments to the Santa Maria Municipal Code. As part of an ongoing project beginning in 2000, the City Attorney's Office has collected a list of Municipal Code provisions that work ineffectively for technical reasons or need to be updated because of changes in State law or City operations. The proposed ordinance will (1) update Municipal Code provisions that pertain to maintenance of the Code to reflect modern practice; (2) make several clarifying changes to the City's Personnel Ordinance to include retention of interest cards, standardization of terminology, documentation, grammar, provision for the fact that the City now processes applications electronically, use of leave, and provision for personal leave; (3) repeal Section 4-3.375 of the Code as it is a remnant and no longer serves any purpose; (4) repeal outdated license tax provisions related to itinerant shows and public dances as all events and activities open to the public are now regulated under the Good Neighbor Ordinance; (5) amend the Property Nuisance Ordinance to add additional examples of nuisance conditions on private property such as piles of dirt, rubble or combustible materials, portable toilets and cargo containers; and (6) remove a confusing reference in the City's Parades and Assemblies Ordinance which implies that a parade permit was necessary for spontaneous events, when these events are exempt from permit requirements.

Ordinance No. 2011-02 amending various sections of the Municipal Code was introduced by title only for first reading and continued to the next meeting for second reading and adoption on motion by Councilmember Boysen, seconded by Councilmember Cordero, and carried on the following vote:

AYES: *Councilmembers Boysen, Cordero, Orach, and Mayor Lavagnino*
NOES: None
ABSENT: Councilmember Patino
ABSTAIN: None

Ordinance No. 2011-02 introduced. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING VARIOUS SECTIONS OF THE SANTA MARIA MUNICIPAL CODE, RELATING TO MAINTENANCE OF THE CODE, PERSONNEL, ITINERANT SHOWS, DANCES, PROPERTY NUISANCE, AND PARADES.

CITY COUNCIL/REDEVELOPMENT AGENCY (RDA) TO CONSIDER REPAYMENT OF LOANS BY THE AGENCY FOR THE CENTRAL PLAZA NEIGHBORHOOD DEVELOPMENT PROJECT, CENTRAL CITY PROJECT.
City Attorney Trujillo gave the staff report. The State of California is currently facing a $25 billion budget deficit. The Governor is proposing the elimination of Redevelopment Agencies (RDA's) throughout the State to help balance the State's budget. The Santa Maria Redevelopment Agency currently receives approximately $1.2 million per year in tax increment funding from the State, which is applied to pay the debt service on bonded debt. The debt service payments are about $2.7 million with the General Fund contributing the remaining amount of $1.5 million annually. The final payment of the bonds will occur in 2016. Beginning in 2017, the tax increment is scheduled to be used to pay the debt owed to the General Fund, $13,932,228 as of June 30, 2010. Interest is accruing at a fixed rate of $113,466 per year. Staff is concerned that the State may not honor this existing debt if the State is successful in eliminating local redevelopment agencies. The State will presumably, under the state and federal constitutions, be prohibited from interfering with existing contractual obligations of an RDA. Staff is, therefore, requesting that the City Council and Redevelopment Agency Board consider restating and memorializing the debt in written agreements (Cooperation and Reimbursement Agreements) including the pledge of tax increment revenues as the funding source for payment of principal and interest on the 1993 bonds and to formally establish repayment terms of the General Fund advances or loans to the RDA through a promissory note from the Agency in favor of the City.

Councilmember Boysen asked if there were other outstanding debts on the Central Plaza Neighborhood Redevelopment Plan, or if the only indebtedness related to the parking structures at the Town Center Mall.

City Manager Ness explained that the Central Plaza Neighborhood Development Project incorporated into the title of the agreements was from a descriptor used years and years ago and was intended to be all inclusive of the Redevelopment Agency properties.

Resolution No. 2011-26 approving and authorizing repayment of bonded debt and loans made to the Agency and payable from the tax increment and other revenues of the Santa Maria Redevelopment Agency and approving a Cooperation Agreement and Reimbursement Agreement was adopted on motion by Councilmember Cordero, seconded by Councilmember Orach, and carried on the following vote:

AYES: Councilmembers Boysen, Cordero, Orach, and Mayor Lavagnino
NOES: None
ABSENT: Councilmember Patino
ABSTAIN: None

Resolution No. 2011-26 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AND AUTHORIZING REPAYMENT OF BONDED DEBT AND LOANS MADE TO THE AGENCY AND PAYABLE FROM THE TAX INCREMENT AND OTHER REVENUES OF THE SANTA MARIA REDEVELOPMENT AGENCY AND APPROVING A COOPERATION AGREEMENT AND REIMBURSEMENT AGREEMENT.

MAYOR LAVAGNINO ADJOURNED THE REGULAR MEETING OF THE CITY COUNCIL AND CONVENED A MEETING OF THE REDEVELOPMENT AGENCY AT 7:15 P.M.

ROLL CALL:
MEMBERS PRESENT
Board Members Boysen, Cordero, Orach, and Chairperson Lavagnino.

MEMBERS ABSENT
Board Member Patino

Redevelopment Agency (RDA) Resolution No. 2011-01 approving and authorizing repayment of bonded debt and repayment of loans to the City of Santa Maria and approving a Cooperation Agreement and Reimbursement Agreement was adopted on motion by Board Member Cordero, seconded by Board Member Orach, and carried on the following vote:

AYES: Board Members Boysen, Cordero, Orach, and Chairperson Lavagnino
NOES: None
ABSENT: Board Member Patino
ABSTAIN: None

Resolution No. 2011-01 adopted. A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AND AUTHORIZING REPAYMENT OF BONDED DEBT AND LOANS MADE TO THE AGENCY AND PAYABLE FROM THE TAX INCREMENT AND OTHER REVENUES OF THE SANTA MARIA REDEVELOPMENT AGENCY AND APPROVING A COOPERATION AGREEMENT AND REIMBURSEMENT AGREEMENT.

MAYOR LAVAGNINO ADJOURNED THE REDEVELOPMENT AGENCY MEETING AND RECONVENED THE REGULAR CITY COUNCIL MEETING AT 7:25 P.M. WITH ALL MEMBERS AGAIN PRESENT EXCEPT COUNCILMEMBER PATINO.

CITY MANAGER'S REPORT
City Manager Ness reported on items anticipated for the April 5, 2011, City Council meeting including public hearings for the Solid Waste rate increase and 2011 CDBG and HOME Allocations.

Mayor Lavagnino stated there was a Letter to the Editor in the *Santa Maria Times* regarding the Hispanic race not being characterized properly. The 2010 Census form was very explicit and stated that Hispanic, Latino, or Spanish origin was not a race, it

was an ethnicity. On the form, there were only four race choices: White; Black/African American/Negro, American Indian, or Alaskan Native/Asians/Pacific Islanders.

Management Analyst II van de Kamp explained that he had received a small number of comments and questions asking for clarification on race and ethnicity. The Census form mentioned that Hispanic origins were not races. With the additional information he was able to locate, he found that the race and ethnicity categories used by the Census were mandated by the Federal Office of Management and Budget Directive No. 15, which has been in effect since 1997. There were four and only four race categories: White, Black/African American/Negro, American Indian, or Alaskan Native/Asians/Pacific Islanders. There were only two ethnicity categories: Hispanic and Non-Hispanic.

ORAL REPORTS BY COUNCILMEMBERS

Councilmember Boysen reported he participated in the Principal for the Day program, attended the Solid Waste Rate Workshop, and had attended several of the City's different meetings. He announced that at the April 5th City Council meeting, he would be recusing himself from the CDBG and HOME Allocation item due to his association with Good Samaritan Shelter.

Mayor Lavagnino reported he attended the Legal Aid Foundation Chili Cook-Off, the meet and greet with Chandra Wallar, the new Santa Barbara County CEO, and Career Day at Pioneer Valley High School.

Councilmember Orach reported he attended the LAFCO meeting, the All-America City Committee meeting, passed out flyers in the Grogan Park area for the All-America City Committee donut and coffee get-together held last Saturday, and the Fighting Back Santa Maria Valley meeting.

Councilmember Cordero reported he attended the Community Action Commission meeting, an Orcutt Lions Club meeting, participated in the Principal of the Day program at Rice School, attended the Highway 166 Safety Committee meeting, a Future Search meeting, the meet and greet for Chandra Wallar, the Poetic Justice Project meeting, and the Noon-Time Kiwanis Club meeting.

ADJOURNMENT

There being no further business to come before the City Council at this time, the meeting was declared adjourned at 7:45 p.m. by Mayor Lavagnino in honor of Mr. Darwin Sainz.

APPROVED

April 5, 2011
Date

Chief Deputy City Clerk and ex officio Clerk of the City Council

ATTEST

Chief Deputy City Clerk

Mayor